GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4511
ANSWERED ON:12.08.2016
Cashless Insurance Facility
Tripathi Shri Sharad

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has received complaints being made by the insurance policy holders due to disputes between hospitals and insurance companies with regard to expansion of cashless facility provided to insurance holder including different interpretations in health insurance sector in the country in this regard; and

(b) if so, the details thereof and the steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) & (b): As per Insurance Regulatory and Development Authority of India (IRDAI), the complaints received from the policyholders regarding disputes in extending cashless facility to the policyholders for the year 2015-16 are given below:

Type of complaints	No. of complaints
Delay on the part of Third Party Administrators (TPA) to provide cashless facility	219
TPA refuses to extend cashless facility to the Insured	148

Regulatory provisions are stipulated in the IRDAI Health Insurance Regulations in respect of cashless facility, its administration and settlement of insurance claims for the protection of the policyholders' interest. In order to ensure uniformity across the industry and to avoid varied interpretations of key policy terms, IRDAI has issued Guidelines on Standardization in Health Insurance which inter-alia contains standard definitions of terms in health Insurance policies as well as standard definitions of 22 critical illnesses.

As per IRDAI (Third Party Administrators − Health Services) Regulations, 2016, TPAs shall ensure to resolve the grievances or disputes with hospitals or network providers expeditiously and ensure that the policyholder is not adversely affected due to such disputes. Further, TPAs to ensure to resolve the grievances of policyholders within fifteen days of receipt of the same.

Further, IRDAI monitors the claims payment position of the insurance companies by collecting data pertaining to claims. Apart from this, IRDAI periodically carries out inspection of insurance companies which includes the examination of claims payment practices of the insurers and their compliance with the provisions of Insurance Act, 1938, various IRDAI Regulations/Circulars and Guidelines issued from time to time. Through Integrated Grievance Management System (IGMS), IRDAI does real time monitoring of the policy/claims related grievances from consumers.

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